Duty in lieu of sales tax on tobacco, textiles and sugar provided it does not impose tax on sale or purchase of these items.

(b) Yes, Sir.

(c) to (e) No assessment is available regarding potential decline.

Retention of External Commercial Borrowings by Companies

1278. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have initiated stern action against those companies which have retained their external commercial borrowings;

(b)if so, the details of the companies alongwith the amount involved;

(c) whether some strictures have already been imposed on Reliance Industries Ltd., Tata Group of Companies and Sterling Industries, in this connection; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) In terms of current ECB policy, Reserve Bank of India (RBI) grants approval for opening of foreign currency accounts aborad for depositing ECB proceeds pending utilisation for a period of one year. RBI monitors ECB proceeds retained abroad, pending utilisation for approved end uses. Request for retaining ECB proceeds abroad beyond one year are examined and permitted by RBI on merits. As on 31st January, 2000, the following companies have retained ECB proceeds beyond one year:

Sl. No.	Name of the Company	Amount in USD-Million	Remarks
1.	M/s. Sterlite Industries Ltd.	73.96	The Company has sought extension for retaining ECB proceeds upto June 2000. RBI is examining the request.
2.	M/s Telco Ltd.	40.97	The Company has sought extension for retaining ECB proceeds upto December, 2000. RBI is examining the request.

Sl. No.	Name of the Company	Amount in USD-Million	Remarks
3.	M/s Tata Electric Companies	238.30	Extension granted by RBI to retain up to 29th February, 2000. RBI is examining request for further extension for 6 months.
4.	M/s Reliance Industries Ltd.	941.02	The company's request for retention of ECB funds abroad was not acceded by RBI on 03/04/1999. The representation of the company against this order is under consideration with the Government. The company had meanwhile repatriated USD 550 million out of the ECB funds held abroad between August 1999 and January 2000.
5.	M/s. Essar Oil Ltd.	49.05	RBI is examining the necessity of retaining ECB funds held abroad.

Outstanding Liabilities of States

1279. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has expressed serious concern over the long-term sustainability of Public Debt of the States during 1999-2000;

(b) whether the outstanding liability of the States by March, 2000 would be Rs. 409,258 crore, a 19.9 per cent rise over Rs. 341,259 crore by March end 1999;

(c) whether in terms of GDP, it is estimated to reach 20.5 percent during 1999-2000 as compared to 19.4 per cent in 1998-99; and

(d) if so, what are the reasons therefor and the details of the manner in which Government are going to tackle/share financial burden of States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) According to the RBI Report on